

**MINUTES OF THE
MARICOPA ASSOCIATION OF GOVERNMENTS
REGIONAL COUNCIL MEETING**

September 26, 2007
MAG Office, Saguaro Room
Phoenix, Arizona

MEMBERS ATTENDING

Vice Mayor Rob Antoniak for Mayor James M. Cavanaugh, Goodyear, Chair	Supervisor Don Stapley, Maricopa County
Mayor Mary Manross, Scottsdale, Vice Chair	Mayor Keno Hawker, Mesa
# Councilmember Robin Barker, Apache Junction	# Mayor Ed Winkler, Paradise Valley
Mayor Marie Lopez Rogers, Avondale	Mayor Bob Barrett, Peoria
# Mayor Bobby Bryant, Buckeye	Councilmember Greg Stanton for
Mayor Wayne Fulcher, Carefree	Councilmember Peggy Neely, Phoenix
* Councilmember Dick Esser, Cave Creek	# Mayor Art Sanders, Queen Creek
Mayor Boyd Dunn, Chandler	Vice President Martin Harvier for President
Mayor Fred Waterman, El Mirage	Diane Enos, Salt River Pima-Maricopa
* President Raphael Bear, Fort McDowell	Indian Community
Yavapai Nation	Councilmember Martha Bails for
Mayor Wally Nichols, Fountain Hills	Mayor Joan Shafer, Surprise
Mayor Fred Hull, Gila Bend	* Mayor Hugh Hallman, Tempe
* Governor William Rhodes, Gila River Indian	* Mayor Adolfo Gamez, Tolleson
Community	* Mayor Ron Badowski, Wickenburg
Mayor Steven Berman, Gilbert	Mayor Michael LeVault, Youngtown
Mayor Elaine Scruggs, Glendale	Joe Lane, State Transportation Board
* Mayor Bernadette Jimenez, Guadalupe	Felipe Zubia, State Transportation Board
Mayor Thomas Schoaf, Litchfield Park	# F. Rockne Arnett, Citizens Transportation
	Oversight Committee

* Those members neither present nor represented by proxy.

Attended by telephone conference call.

+ Attended by videoconference call.

1. Call to Order

The meeting of the MAG Regional Council was called to order by Vice Chair Mary Manross at 5:05 p.m.

2. Pledge of Allegiance

The Pledge of Allegiance was recited.

Vice Chair Manross noted that Councilmember Robin Barker, Mayor Bobby Bryant, Mayor Ed Winkler, Mayor Art Sanders, and Mr. Roc Arnett were participating by telephone. She welcomed proxies to the meeting: Vice Mayor Rob Antoniak for Mayor Jim Cavanaugh, Vice President Martin Harvier for President Diane Enos, Councilmember Greg Stanton for Councilmember Peggy Neely, and Councilmember Martha Bails for Mayor Joan Shafer.

Vice Chair Manross stated that parking validation and transit tickets were available from MAG staff.

3. Call to the Audience

Vice Chair Manross noted that members of the audience who wish to speak are requested to fill out public comment cards. The opportunity for public comment is provided to members of the public to address the Regional Council on items not scheduled on the agenda that fall under the jurisdiction of MAG, or on items on the agenda for discussion but not for action. Citizens are requested not to exceed a three minute time period for their comments. A total of 15 minutes is provided for the Call to the Audience agenda item, unless the Regional Council requests an exception to this limit. Those wishing to comment on agenda items posted for action will be provided the opportunity at the time the item is heard.

Vice Chair Manross recognized public comment from Dianne Barker, who stated that she rode the bus to the meeting and expressed thanks for the transit tickets. Ms. Barker stated that flexible, multimodal transportation can be fun. Ms. Barker stated that the last CTOC meeting included presentations on the Broadway Curve, which is a big concern. She expressed her hope that planners and politicians will become involved. Ms. Barker stated that whatever happens with the redesign will affect the west side. She noted that next year, CTOC will have traveling meetings to different communities and asked members to encourage their citizens to attend. Vice Chair Manross thanked Ms. Barker for her comments.

Vice Chair Manross recognized public comment from Joseph Ryan from Sun City West. He said that he has never asked the Regional Council for earmarks for Sun City West. Mr. Ryan stated that there is a shortage of money. When focus groups were asked about the extension of the sales tax for transportation, people indicated they would support a tax greater than a half cent, yet MAG only asked for the half cent. Mr. Ryan stated that in the 1990s, people were selling light rail and showed rapid transit that did not run in the middle of the street. He commented that it was a bait and switch. If people were asked how many wanted a percentage of the tax to go to the trolley with no highway west of Loop 303, what do you think they would say? Mr. Ryan commented that when the bonds are due from interest costs there will still be a shortage of money. He said that MAG, as transportation planners, is responsible. Vice Chair Manross thanked Mr. Ryan for his comments.

4. Executive Director's Report

Dennis Smith, MAG Executive Director, provided a report to the Regional Council on activities of general interest.

Mr. Smith announced that a news conference was scheduled for the next day on the upcoming 2010 census. He said that Preston Waite, Deputy Director of the Census Bureau, will be present.

Mr. Smith stated that the Legislature formed the Blue Ribbon Transportation Committee. The Committee's first meeting will be on October 2, 2007, at 8:30 a.m. Mr. Smith noted that topics will include Arizona's transportation needs and outlook, Highway Users Revenue Fund (HURF) and federal revenue, and presentations on the existing toll road statutes and public private partnerships. Vice Chair Manross thanked Mr. Smith for his report. No questions from the Council were noted.

5. Approval of Consent Agenda

Vice Chair Manross noted that agenda items #5A through #5G were on the consent agenda. She noted that agenda item #5G, Approval to Accept the Rankings for the One-Step Design-Build Services RFQ for the Regional Office Center and Enter Into Negotiations for a Design-Build Team, had been removed from the agenda.

Vice Chair Manross recognized public comment from Mr. Ryan, who said he had raised the issue in the past that MAG should create a request for proposals for a rapid transit system to lower costs and get traffic off I-10. Mr. Ryan stated that the Paradise Freeway was lost because there was not enough money and some projects, such as Loop 303, are not complete. He said that the Regional Council just sits there when he suggests solutions. Mr. Ryan stated that one solution is commuter rail, which needs frequent service to get people to use it. He stated that many cities, such as his hometown of Philadelphia, have discontinued trolleys because of the danger and high cost. Mr. Ryan stated that the trolley is ruining Central Avenue and they were told it would only take three lanes. He said that the costs will be higher; for example, they did not even take into account the relocation of utilities. Mr. Ryan stated that the EIS and record of decision were fraudulent. He stated that if MAG wants to play hardball, it could take money away from Phoenix. Vice Chair Manross thanked Mr. Ryan for his comments.

Vice Chair Manross asked members if they had any questions or any requests to hear an item individually. None were noted. With no further discussion of the consent agenda, Vice Chair Manross called for a motion to approve consent agenda items #5A, #5B, #5C, #5D, #5E, and #5F, noting that agenda item #5G had been removed. Mayor Nichols moved, Mayor Hull seconded, and the motion passed unanimously.

5A. Approval of the August 22, 2007 and September 6, 2007 Meeting Minutes

The Regional Council, by consent, approved the August 22, 2007 and September 6, 2007 meeting minutes.

5B. Arterial Life Cycle Program Status Report

The Arterial Life Cycle Program (ALCP) Status Report covers the period from January to June of 2007 and includes an update on ALCP Project work, the FY 2008 ALCP schedule, and ALCP revenues and finances. This item was on the agenda for information and discussion.

5C. ADOT Red Letter Process

In June of 1996, the MAG Regional Council approved the Arizona Department of Transportation (ADOT) Red Letter process, which requires MAG member agencies to notify ADOT of potential development activities in freeway alignments. Development activities include actions on plans, zoning

and permits. ADOT has forwarded a list of notifications from January 1, 2007, to June 30, 2007. Upon request any of the notices can be removed from the consent agenda and returned for action at a future meeting. ADOT received 709 Red Letter notifications in the period from January 1, 2007 to June 30, 2007. In addition to the 181 separate examples attached, ADOT has requested a complete set of plans for the developments and a plan review on an additional 195 notifications. The 195 additional notices included zoning changes and/or general plan amendments that would put future developments adjacent or very close to ADOT right-of-way that would cause concerns. The ADOT Red Letter coordinator also received 84 telephone, mail, and/or email notifications of possible impact to the State Highway System. The 84 telephone, mail, and/or email notifications consisted of 25 notifications on the Estrella Corridor, 303 Loop and 26 on the South Mountain, 202 Loop, 20 on the I-10 Reliever and 13 on the 303 Loop south of I-10. This item was on the agenda for information and discussion.

5D. MAG 208 Water Quality Management Plan Amendment for the Hassayampa Utility Company Southwest Service Area

The Regional Council, by consent, approved the MAG 208 Water Quality Management Plan Amendment for the Hassayampa Utility Company Southwest Service Area. Maricopa County has requested that MAG amend the 208 Water Quality Management Plan to include the Campus 1 water reclamation facility for the Hassayampa Utility Company Southwest Service Area with an ultimate capacity of 32 million gallons per day. Reclaimed water from the facility would be disposed of through reuse, recharge, and Arizona Pollutant Discharge Elimination System Permit discharge points to the Delaney Wash, Four Mile Wash, Old Camp Wash, and/or a discharge point 12,000 feet northeast of the facility in an unnamed wash. The Delaney Wash, Old Camp Wash, and the unnamed wash are tributaries to the Four Mile Wash. A public hearing on the draft amendment was conducted on August 7, 2007. The MAG Water Quality Advisory Committee and the MAG Management Committee recommended approval of the Draft 208 Plan Amendment.

5E. Registration for the Local Update of Census Addresses Program

The Local Update of Census Addresses (LUCA) Program provides cities, towns and the county with an opportunity to update the Census Bureau address list for their jurisdiction. The address list will be used to distribute Census 2010 questionnaires. An accurate address list is crucial to obtaining a good census population count, which will be used to distribute billions of dollars in state-shared revenue to Arizona cities and towns. In early August, the Census Bureau sent out an invitation and a registration form to the Highest Elected Official of each city, town and the county, inviting him/her to participate in the LUCA program. To receive the full 120 days to review and provide comments on the address list, jurisdictions need to register for the LUCA Program by November 19, 2007. This item was on the agenda for information and discussion.

5F. Consultant Selection for Underwriting Services for the Regional Office Center (ROC)

The Regional Council, by consent, ratified the approval of the selection of the firm Piper Jaffray & Company to perform underwriting services for the Regional Office Center (ROC). The Maricopa Association of Governments requested proposals from qualified firms of underwriters to provide the most advantageous underwriting services for the issuance of Obligations of the ROC. In response to the Request for Proposals released on August 2, 2007, MAG received 11 proposals from qualified

underwriters. The ROC Underwriter Selection Team reviewed and evaluated the proposals and recommended to MAG that Piper Jaffray & Company be selected to perform the underwriting services for the ROC. The MAG Executive Committee concurred with the Selection Team and approved the selection of Piper Jaffray & Company. The all-inclusive price summary for the underwriter services is \$552,929. Payment for underwriting services shall be from monies derived from the issuance of the financial offering(s). The underwriter will be responsible for any costs incurred by their firm if such offering(s) are not issued.

5G. Approval to Accept the Rankings for the One-Step Design-Build Services RFQ for the Regional Office Center and Enter Into Negotiations for a Design-Build Team

This item was removed from the agenda.

6. Reexamination of MAG Highway Acceleration Policy

Eric Anderson, MAG Transportation Director, provided an overview of the MAG Acceleration Policy that was adopted in March 2000. He stated that the policy outlines the process for jurisdictions to accelerate projects, and ensures that local financing is provided in a fiscally prudent manner, and that other projects are not affected and stay on schedule. Mr. Anderson stated that a provision for the sharing of interest costs benefits both the local jurisdiction and the region because if a project is built sooner, future inflation due to cost increases is avoided. In addition, the region benefits because the infrastructure is in place earlier than planned.

Mr. Anderson reviewed the background of the Acceleration Policy. He stated that when reimbursement guidelines were first established in February 1995, local jurisdictions had to pay 100 percent of the interest. Mr. Anderson stated that revised guidelines were adopted in May 1997 and provided for interest sharing between the ADOT Program and local jurisdictions. Mr. Anderson advised that this was a major change and was done because it avoids future inflation and it was felt that the cities should not have to bear 100 percent of the interest cost.

Mr. Anderson stated that the guidelines were revised again in March 2000. He said that language was added to cover non-Proposition 300 highway projects. Mr. Anderson stated that the City of Mesa, to accelerate the US 60 project, paid 100 percent of the interest cost.

Mr. Anderson noted that prior to Proposition 400, there were two separate funds. He stated that with the passage of Proposition 400, all freeway and highway projects are included in the 20-year life cycle program.

Mr. Anderson displayed a chart that showed projects accelerated to-date by the jurisdictions of Phoenix, Chandler, Mesa, and Avondale, Goodyear, and Litchfield Park. He noted that the funding sources included HELP loans, Grant Anticipation Notes, HPAN and local funds.

Mr. Anderson reviewed the requirements of the approved MAG Acceleration Policy: the project must be in the Plan; ADOT is responsible for constructing the project; enhancements, such as artwork, are not eligible for reimbursement; there must be agreement of other jurisdictions if the project crosses boundaries; coordination is needed with adjacent jurisdictions and avoidance of adverse traffic impacts; any previous commitments of local funds must be maintained; repayment of project costs and interest

will follow the life cycle program schedule, which means that repayment could be delayed or accelerated, depending on revenue; provides for the calculation of interest reimbursement, which is tied to the rate of financing and the ADOT inflation rate; the payment schedule is adjusted as other projects in the program; there can be no adverse impacts on other projects in the program; ADOT will notify MAG of any requests to accelerate a project; non-recoverable costs are paid by the jurisdiction if the accelerated project does not move forward, which protects the integrity of the program. Mr. Anderson noted that the acceleration policy was developed in the first place because cities would go to ADOT to accelerate projects ahead of others.

Mr. Anderson stated that the sharing of interest expense is a section that may warrant simplification. He stated that interest expense is shared between the ADOT Program and the local jurisdiction. Interest sharing is based on expected inflation savings and the local share of interest expense is reduced by half of the inflation rate. Mr. Anderson advised that the interest sharing amount depends on the interest rate and notes.

Mr. Anderson stated that issues that could be discussed during an examination of the Acceleration Policy could include: 1) Should the Acceleration Policy apply to all highway and freeway projects, both regional and interstates? 2) What form of local commitment does there need to be for MAG to consider an acceleration request? 3) Should the sharing of interest expense include a fixed percentage rather than one tied to the ADOT projected inflation rate, or should there be a minimum local share of interest? 4) What are the considerations for the use of regional financing capacity versus local financing? Mr. Anderson noted that MAG has a Grant Anticipation Note capacity of \$400 million, and currently, \$250 million of capacity is being used to accelerate the freeway program from 2014 to 2007. He noted that this obligation will be paid off in 2015.

Mr. Anderson stated that at the September 12th meeting, the MAG Management Committee proposed forming a working group to discuss these issues. He said that the working group's recommendations would come back to the MAG committees. Vice Chair Manross thanked Mr. Anderson for his report.

Vice Chair Manross recognized public comment from Mr. Ryan, who stated that he had listed to hours of discussion of minutiae. He stated that this was about chump change and suggested scrapping the whole works. Mr. Ryan stated that MAG is responsible for the region's situation, it is not the local jurisdiction's responsibility. Mr. Ryan stated that charging interest is nonsense and should be forgotten. It is much ado about nothing. Vice Chair Manross asked that Mr. Ryan keep his comments to the agenda item. Mr. Ryan replied that MAG needs money, doesn't it? He said that ADOT needs money and is handicapped by laws. By changing the laws for the acquisition of right of way, you get more money. Mr. Ryan commented that this is an emergency, so close the trolley funding spigot for a month or so, take care of the problem, then turn the trolley spigot back on. He said that one deadline was missed because of hassling over minutiae. Mr. Ryan suggested giving ADOT money right away, changing the laws, and taking money away from the trolley, because it does not deserve it. Vice Chair Manross thanked Mr. Ryan for his comments.

Vice Chair Manross opened the floor for discussion on agenda item #6.

Mayor Hawker stated that there needed to be discussion of establishing a policy on the \$10 million loan with repayment of interest that was provided in STAN II. He stated that the money is available

statewide, and there is an assumption that the MAG region will be getting the entire amount, but he was unsure how that would be accepted by the rest of the state. Mayor Hawker stated that discussion with ADOT needs to take place so that the projects most beneficial to the state come forward.

Mr. Zubia stated that he appreciated Mr. Ryan's comments, but he thought communities would beg to differ that the STAN funds are chump change; the funds still have impact. Mr. Zubia expressed his appreciation for Mayor Hawker's comments. He said that a note could be made to the Legislature to include the rural areas and Pima County.

Mayor Lopez Rogers asked for clarification of the working group, how it would be formed and who would serve. Mr. Anderson replied that MAG was still receiving names of those interested in serving and had received seven or eight names. He noted that Charlie McClendon, Avondale City Manager, had expressed his interest. Mr. Anderson stated that MAG will work with Management Committee Chair, Jan Dolan, Scottsdale City Manager, to ensure the group meets a geographic balance, is a workable size, and does not meet a quorum of the Management Committee. He added that Regional Council input on discussion topics would be forwarded to the working group.

Mayor Hawker suggested that perhaps there could be a penalty for those who receive below the line funds. He advised that the action taken by MAG was his concern. He commented that MAG could implode if all jurisdictions went through the Legislature instead of through the regional, cooperatively developed plan. Mayor Hawker expressed concern for letting the Legislature take over regional planning if they start doing earmarking and setting priorities. Mayor Hawker stated that MAG also has the ability to not put a project in the TIP or to not approve the TIP if it includes the project in question.

Mayor Dunn stated that the TPC discussed revisiting the policy and ensuring it serves the region as a whole. He asked if there was an acceleration policy working group at the beginning of the process. Mr. Smith replied that an ad hoc committee helped to establish the acceleration policy that was approved by the Regional Council. Mayor Dunn commented that the working group functioned before and he felt it would again. He said he felt it was a great idea. Mayor Dunn asked if action was needed. Mr. Smith replied that staff was seeking Regional Council input only tonight. He explained that the ad hoc working groups' findings would be reported back to the Management Committee, Transportation Policy Committee, and Regional Council, providing multiple opportunities as to what the final policy will be.

Vice Chair Manross asked those on the telephone if they had any comments. None were noted.

7. Assignment of Funding to the MAG Transportation Program by Congressional/Legislative Action

Dennis Smith, MAG Executive Director, reported on state and federal funding that comes to the region. Mr. Smith stated that MAG is federally required to develop the Regional Transportation Plan, the Transportation Improvement Program, and the Unified Planning Work Program in cooperation with the Arizona Department of Transportation and transit agencies.

Mr. Smith stated that because MAG is a Metropolitan Planning Organization (MPO) and Transportation Management Area (TMA), MAG is subject to a Certification Review. He explained that based on a finding during one of these reviews, ADOT is required to provide federal funding revenue estimates to MAG. Mr. Smith stated that the MAG TIP, approved by the Governor, needs to be included without

modification into the State Transportation Improvement Program. He noted that this is important because the TIP is being modeled for air quality and cannot be changed.

Mr. Smith stated that in 1999, after TEA-21 passed, Mary Peters, who was at that time the ADOT Director, convened representatives from the Arizona planning agencies. At this meeting, the Casa Grande Resolves agreement was reached. He advised that the Resolves established a process to develop a funding formula for federal and state transportation funds. Mr. Smith added that in many states, the federal process is not adhered to as closely, and the DOT drives the process. He stated that the Resource Allocation Advisory Committee evolved from the Casa Grade Resolves process and is very important in distributing the federal money that comes to Arizona. He added that the Committee is very unique in the United States.

Mr. Smith stated that during Proposition 400, there was interest by the Legislature to select projects. He noted that a memorandum by the General Counsel for the Arizona Legislative Council states that to receive federal funding for projects, the state must comply with the federal planning requirements; a legislatively developed plan would be contrary to these requirements, because the transportation plan must be cooperatively developed and approved by the MPO; if a transportation plan is developed contrary to the federal requirements, the Secretary of Transportation can refuse to approve projects and deny federal funding; the legislature probably could not appropriate federal monies provided for transportation projects; a state-funded project would require a conformity determination that would have to be made by MAG. Mr. Smith advised that MAG has to adhere to requirements for public involvement and air quality.

Mr. Smith stated that during the development of the Regional Transportation Plan for Proposition 400, all funding that was regional in nature was considered and programmed for 20 years. He noted that Colorado, for example, has a 20-year plan but only five years are programmed. Mr. Smith advised that Arizona statutes include not only very strict amendment procedures for making changes to the Plan, but also firewalls for funding categories. He added that below the line funding by Congressional earmarks disturbs the formula already agreed to by the planning agencies in the state.

Mr. Smith explained above the line and below the line funding. He stated that the majority of federal transportation dollars are included in the formula to ADOT and are considered below the line. Mr. Smith stated that the Resource Allocation Advisory Committee formula distributes all of the federal and state funds and they are programmed by ADOT and the regional planning agencies. He advised that above the line funding is very limited. Mr. Smith advised that Arizona does not ordinarily receive above the line funding. He said that the majority of funding Arizona receives is below the line funding. He added that above the line funding is usually earmarked to a specific project by Congress. Mr. Smith noted that if a consultant goes to Congress and obtains federal money for highway projects, that money already may be part of the formula and is below the line funding.

Mr. Smith explained that transit funding is different from highway funding. He said that some transit dollars to Arizona are similar to the highway program and are formula driven, while others are highly competitive, such as new and small starts for light rail, commuter rail and bus rapid transit, and bus capital. Mr. Smith stated that RPTA provides a list of projects to obtain federal transit money for the region's projects. He added that it is helpful to have a lobbyist for transit funding.

Mr. Smith stated that Arizona's cooperative relationship with ADOT is unique in the country. He noted that this region not only has a 20-year plan, it also has a 20-year program. Mr. Smith stated that a statewide funding formula is in place and has worked since 1999. Vice Chair Manross thanked Mr. Smith for his explanation. She asked those participating by telephone if they had questions. None were noted.

8. Building a Quality Arizona Update

Bob Hazlett, MAG Senior Engineer, provided an update on efforts to examine transportation issues statewide, called Building a Quality Arizona (BQAZ). Over the past year, the Association of Arizona Councils of Governments and Metropolitan Planning Organizations has been meeting to discuss growth and transportation issues. He said that a Statewide Reconnaissance Mobility Study was initiated to study the areas throughout the state. On August 31, 2007, the COGs/MPOs, the business partners, and ADOT met to receive preliminary information from the Reconnaissance Study and to discuss the areas throughout the state that would benefit from framework studies and a potential study process that could lead to a statewide transportation election.

Mr. Hazlett stated that framework studies are needed to get in front of future growth by understanding land use, socioeconomic, and development patterns, programmed improvements, regional connections, maintaining system continuity, and corridor preservation. He stated that data from the framework studies leads into the development of a statewide long range transportation plan.

Mr. Hazlett stated that a typical framework study takes about 12 to 16 months to complete. The bulk of the project centers around the study alternatives and developing consent, which takes about seven to ten months. As an example for the committee, Mr. Hazlett introduced how MAG is currently conducting the Interstates 8 and 10 – Hidden Valley study, which encompasses Western Pinal County and Southwest Maricopa County. He commented that with 160 developments entitled in this area, there is a need for more than roads, there is a need to for all modes of transportation. He stated that the study included an environmental scan, which is an extensive look at what is available in the way of cultural resources, air quality, aviation, slopes analysis, hazardous materials, natural vegetation, land ownership, major economic centers, Title VI/Environmental Justice, conservation areas, utility corridors, biological resources, recreation opportunities, and wildlife corridors. Mr. Hazlett stated that the project is 30 percent complete, and is now in the conceptual framework study phase, which includes determining multimodal possibilities, incorporating small area studies, the Pinal County Roads of Regional Significance study, and the Buckeye, Goodyear, Maricopa, and Casa Grande comprehensive plans, and identifying new corridors. Mr. Hazlett stated that completion of the project is anticipated in August 2008.

After introducing this example, Mr. Hazlett continued his presentation by bring the Committee up to date on the Statewide Mobility Reconnaissance Study, which provides a holistic approach using a linkage among land use, transportation, and economic development. Mr. Hazlett stated that while working on this study, he and the consultant traveled around the entire state, meeting with about 250 people and spoke with them about what is happening outside of Arizona as well as the corridors within Arizona.

Some of the information learned from the visits, included a statement of how 80 to 85 percent of goods distributed throughout the southwestern USA arrive on commercial trucks. He said that alternative routes, such as SR-89/SR-69, US-95/SR-95, and CANAMEX, are increasing in use. Mr. Hazlett noted that transportation mobility is important to commerce, as the state has the copper industry and emerging industries, such as the Welton Oil Refinery and warehousing. Mr. Hazlett mentioned the Sun Corridor, which is the Megapolitan area reaching from Nogales to Flagstaff. He noted that it is also important to maintain mobility for recreation and tourism.

Mr. Hazlett stated that the next effort for the Reconnaissance Study are the focus groups on statewide needs will be held in October, followed by a forum in November to bring the findings together. For this meeting, he said they are seeking committee input on additional framework studies, the framework map, the regional transit framework, the needs of existing highway system, the Building a Quality Arizona study process, and election timing. Mr. Hazlett noted that two framework studies are underway in the MAG region: the Interstate 10-Hassayampa Valley Study and the Interstates 8 and 10-Hidden Valley Study. In addition, nine framework studies are proposed throughout the state and will be conducted with the \$7 million approved by the State Transportation Board. Mr. Hazlett noted that these are indicated on the map included in the agenda packet.

Mr. Hazlett displayed the timeline, also included in the agenda packet, and stated that 2009 appears to be the earliest date for a statewide election due to the time needed to complete all elements of the process.

Mr. Smith noted that the framework studies would use common methodology and rolled into a statewide effort. He stated that ADOT has been very cooperative on this and even put its studies on hold in order to use the results of the framework studies to update Move AZ. Mr. Smith stated that the State Transportation Board will form a subcommittee and a member from the subcommittee will co-chair BQAZ. He said that the issue is timing to get the framework studies done for a statewide election. Mr. Smith commented that there are plusses and minuses for each of the election possibilities—2008, 2008 or 2010. Mr. Smith stated that there will be discussion with the Governor's office about this.

Vice Chair Manross stated that there is a lot of work to be done—seven of the framework studies have not yet begun. She asked members to express their concerns or interest in a statewide election. Vice Chair Manross expressed that she had concerns about the business community's interest to move more quickly toward a 2008 election. She said that having been involved in planning efforts locally, she felt that was too soon and suggested looking at 2009. Vice Chair Manross expressed that she felt that being thoughtful and thorough would provide a better chance at the ballot box.

Mayor Hawker asked if there had been any ideas put forth as to what would be on the ballot – a dollar figure or maps that would show what each county gets. He said that knowing the projects and the order they will be built sells well, and he was not sure that could be done without completing the studies. Mayor Hawker asked if there were other concepts he had not heard about. Mr. Hazlett replied that in traveling around the state, it was their understanding that broad consensus and an awareness of the magnitude of needs were necessary. He stated that MOVEAZ is being updated, but there is a need to identify other ways and new corridors to move people. Mr. Hazlett commented that one way to do this is through the framework approach, which provides the opportunity to piece regional studies together

into a statewide plan. He added that this has been the direction of the COGs/MPOs to show the public what is being brought before them.

Mayor Hawker asked what would get voters in this region to support a statewide tax, since the region already has a half cent sales tax. Mr. Hazlett stated that the region has outlying areas that need to be looked at. Another consideration is a regional transit framework study to figure out how to service a buildout population. Mr. Hazlett stated that right now, the plan goes to 25 to 30 year horizon. He advised that planning for the regional freeway system began in 1959, and it was not until 1985 that the work on a lot of the corridors in the plan began to move forward. Mr. Smith stated that two immediate needs that could be helped by a statewide tax include to plug the cost increases and system project accelerations. In addition, the collector/distributor system and double-decking I-17 exceed the money programmed.

Mayor Scruggs stated that she did not think people were looking at plugging holes and doing accelerations. She added that her city and the northwest Valley are still waiting for the completion of Loop 303. Mayor Scruggs commented that she thought people would see the Hassayampa as sprawl and they are tired of sprawl. She stated that as far as an election, she favored 2008. Mayor Scruggs commented that she was in favor of having this discussion lead to a conclusion or have it go away. She stated that continuing this discussion to 2010 would be irritating and would cause more problems as more congestion develops and people become more disenfranchised with what is not being built. Mayor Scruggs said that she thought asking for a 2009 special election in an off-election year would be asking for big trouble. She commented that she had spoken to the Time Coalition about this, and in her opinion, transit should be left out unless there is a permanent funding source for its ongoing costs. Mayor Scruggs advised that she thought a huge mistake in Proposition 400 was made not including a dedicated funding source for transit, but she was on the losing side of that discussion. She said that at the sunset of the half cent sales tax, it could be approved for another 20 years, or communities could find themselves securing funds to continue transit, or it could stop. Mayor Scruggs stated that she would not support transit again without the permanent funding, especially for rural areas, because at the end of the tax, they could be told they would have to pay for it. Mayor Scruggs stated that as far as interest in commuter rail, it also needs a permanent funding source because it is very expensive, not only to start up, but also to continue operations. She said that we need to look at funding streams that stay in place and have ongoing operations costs, or we will be in trouble. Mayor Scruggs stated that she would like to see an election in fall 2008 and see where the citizens fall on this, rather than continuing discussion.

Councilman Stanton asked about the relationship between this work and the Time Coalition. Mr. Hazlett replied that the Time Coalition has been a partner in the effort since the beginning, in collaboration with the COGs/MPOs, ADOT, the Governor's office, and the Legislature.

Vice Chair Manross recognized public comment from Marty Shultz, who was one of the founding members of the Time Coalition and Chair of the Vision 21 Transportation Task Force. Mr. Shultz said that he reinforced Mr. Hazlett's comments that this was a cooperative effort between the private sector and the government. He said that the Time Coalition has spoken to Chambers of Commerce, constituents, and business interests, and they have indicated they are interested in moving forward with a statewide plan. Mr. Shultz advised that the Time Coalition's position is to attempt a 2008 election because they concluded it needed to be statewide and needed authorization by the voters. He said that Mr. Hazlett, Mr. Anderson, and Mr. Smith have worked on studies that indicate a 2009 vote, but their

position is to move forward as quickly as possible, because there are issues out there that need to be resolved. Mr. Shultz advised that the tone around the state is consistent with the comments made by Mayor Scruggs that people are anxious to have the elected officials come together in a timeframe that is sooner rather than later. Vice Chair Manross thanked Mr. Shultz for his comments.

Mr. Smith noted that if a 2008 election is pursued, the work would need to be to the elections office in June 2008. He added that the economic climate is also a consideration.

Vice Chair Manross recognized public comment from Mr. Ryan, who expressed support for Mayor Scruggs because she raised the point of strategies. He said when you do planning, you have objectives, strategies and policies. Mr. Ryan stated that the Miamis, the Globes, and the Casa Grandes need to be considered to make Arizona strong. When executives look for jobs, transportation is important. Mr. Ryan suggested decentralizing like they do in other countries, to reduce crime and the cost of running a city. He added that decentralization helps cities become globalized. Mr. Ryan stated that a rapid transit strategy is needed between all cities and downtown Phoenix. The triangle strategy is home to job to the airport and home again. Mr. Ryan stated that a lot of money was paid to a consultant who did not know what he was talking about when he recommended commuter rail service three times in the morning and three times in the afternoon. Mr. Ryan said to forget about the details on population and get the towns globalized. He said he was tired of people trying to help their own city. Vice Chair Manross thanked Mr. Ryan for his comments.

Vice Chair Manross commented that this is an important issue and time is of the essence. She asked members if they had further comments.

Mayor Berman expressed his agreement with a 2008 election. He said that there is no sense delaying solving transportation problems because traffic is not improving.

Mayor Dunn commented that according to all indications, staff is trying to move forward as quickly as possible. He said that he thought the process would define the election date. If the studies cannot be completed, we could be looking at a later election date. Mayor Dunn asked if staff would keep the Regional Council updated. Mr. Smith replied that a report could be given at the next meeting.

Mayor Scruggs commented that she thought an election in an off-year would never happen and was doomed to failure. She stated that she was unsure how it would even be possible to get permission to have an election with the Legislature's intent that all elections be held in even-numbered years. Mayor Scruggs stated that she did not see 2009 as realistic.

Vice Chair Manross stated that the question is whether a thorough, effective job can be done to present a statewide plan to the voters and answer the questions of each community. Vice Chair Manross stated that the plan has to make sense, meet the needs, be equitable and balanced, and be done by June 2008. She said that it sounded like a challenge.

9. The Interstate 10-Hassayampa Valley Transportation Framework Study

Mr. Hazlett presented an update on the Interstate 10-Hassayampa Valley Transportation Framework Study, a joint project funded by Goodyear, Buckeye, Surprise, Maricopa County, ADOT and MAG. He said this study is to establish a mobility framework for a significant portion of Maricopa County west

of the White Tank Mountains. Mr. Hazlett stated that the study process included a buildout scenario, corridors determination, transit options, immediate actions, and funding options.

Mr. Hazlett noted that study area encompasses 1,400 square miles, contains more than 100 planned communities, and could reach a population close to three million people. He noted that the environmental scan included existing land use, future land use, environmental context, functional classification, land ownership, public land management, air quality, major economic centers, utility corridors, drainage, and wildlife corridors. Mr. Hazlett noted that even the Palo Verde Nuclear Plant evacuation plan was considered.

Mr. Hazlett stated that concerns about the number of traffic interchange requests brought this study into being. He said that studies showed having interchanges at two-mile spacing improved capacity and lessened the crash rate. Mr. Hazlett stated that the interchange spacing recommendation for the Interstate 10 freeway from Loop 303 to 459th Avenue was 20 traffic interchanges, instead of the 40 proposed.

Mr. Hazlett stated that the Arizona Parkway is a concept that utilizes high access management control. It was proposed to MAG by Dr. Maki, City of Surprise Traffic Engineer. Mr. Hazlett stated that the Parkway option has been used for 40 years in seven states, is a marginal cost increase over conventional arterials, delivers near-freeway volumes, blends into the environment, and has fewer conflict points with 60 percent fewer crashes and 75 percent fewer injuries over conventional arterials.

Mr. Hazlett displayed a map of the transportation framework that showed freeways, arterials and parkways. He noted that it had been reviewed in public and stakeholder meetings. He said that the goal was to maintain a grid system, but that was difficult due to topography and existing town centers.

Mr. Hazlett displayed a map of the transit framework. He stated that with a projection of 1.7 million trips, it was realized that more than roadways were needed, and they looked at high capacity transit and a freight rail corridor.

Mr. Hazlett stated that the study also examined funding options, including currently available revenue sources, and noted that none of the options in the framework study are currently funded and it would cost approximately \$22 billion to build. He noted that some of the facilities would be built by the development community.

Mr. Hazlett stated that acceptance of the study by MAG would be requested upon completion of the project, and would include key framework corridors, freeway interchange recommendations, the "Arizona Parkway" recommendation, and an implementation strategy.

Vice Chair Manross thanked Mr. Hazlett for his report. She asked what would be known by the time action would be requested and what decisions would be made at that time. Mr. Smith replied that to put a plan into the TIP, funding is a requirement. He noted that this plan does not have funding. Mr. Smith noted that one exception in federal law is to put in corridors as illustrative projects. He said that this would serve as a shopping list when going to an election. Mr. Smith stated that action on the interchange locations would be requested. He explained that this could stop disputes with developers going to ADOT requesting that an interchange be built because they can provide the funding; then the

mainline capacity has been sold. Mr. Smith added that a recommendation on the Arizona Parkway as a template would also be desired.

Mayor Hawker asked if accepting the study would facilitate a standard of an interchange every two miles but the traffic still gets dumped on I-10. He asked the next step that would trigger increasing capacity if an interchange is built. Mr. Anderson stated that Mayor Hawker raised an important policy issue. He said that it has been common practice in Arizona that a developer pays the cost of an interchange without any contribution to capacity. Mr. Anderson stated that a policy for this region that would not support developers paying for interchanges without a contribution to mainline capacity could be drafted and brought forward to the TPC and Regional Council. Mr. Anderson stated that one thing they are trying to do with acceptance of the two-mile interchange spacing is that the developer would have to come through the MAG process to build an interchange that was not on the map. He noted that pricing it out would also be a part of the policy.

Mayor Hawker asked if that would be a MAG-only policy. Mr. Anderson replied that was correct and they could work with ADOT and the State Transportation Board on a draft policy for this region. Mayor Hawker expressed his support for such a policy, as it has been too long without one.

Councilmember Bails stated that the community's facilities district would also need to be considered because it is the district that created the interchange at the initiation of the city or town.

Mayor Scruggs asked the basis for determining that the interchange at Northern Avenue and Loop 303 would be a parkway traffic interchange instead of a system interchange. Mr. Hazlett replied that due to a study underway on the Northern Parkway by the City of Glendale, the parkway interchange will be a higher type interchange along the line of a system interchange, but not as expensive in terms of ramping. He noted that the Northern Parkway has been identified in the Regional Transportation Plan and Life Cycle Program as having a higher type of interchange. Mayor Scruggs stated that Glendale's transportation staff sees the need for a system interchange. She commented that there is a distance of 14 miles between system interchanges so she did not think it was too closely spaced. Mayor Scruggs stated that their problem is a lack of east/west connections and they project high traffic volumes for the area. She stated that the distances between east/west connections are unbearable. Mayor Scruggs stated that the Northern Parkway will be carrying a higher load of traffic and would like the interchange to not be underbuilt. Mr. Hazlett noted that the dashed line indicating Northern Avenue continuing through the White Tanks reflects those traffic projections.

Mayor Scruggs expressed that she appreciated the statement included in the map that funding will be needed for continual operations once construction is complete. She added that this is sometimes forgotten. Mayor Scruggs noted that the study recognizes that Regional Area Road Fund (RARF) will not meet all of the needs. She asked for clarification of the dates. Mr. Hazlett stated that the time horizons identified reinforce there is a continuing need to support projects in the Regional Transportation Plan. He stated that other projects will happen after 2030 after the RARF horizon, and added that the idea is to get people into a mindset and look beyond current funding. Mayor Scruggs stated that a permanent funding source is necessary to address the future in a reliable way and having funding in 20 year increments is not seriously addressing the problems. Mayor Scruggs said that this is why she made her earlier comments about transit, not that transit is not needed, but the idea of

financing transit on a temporary basis is poor public policy. She said that she hoped there could be permanent funding to maintain a system once it is built.

Mr. Zubia stated that he had heard nothing but compliments on this process and staff's professionalism. He asked for clarification of the study area. Mr. Hazlett replied that it was approximately 1,400 square miles, roughly three-fourths the size of the Valley today. Mr. Zubia asked when the study kicked off. Mr. Hazlett replied that the request for proposals process began in spring 2006 and the project was underway in May 2006. Mr. Hazlett stated that the conceptual framework was identified in six months and the community outreach took 18 months. Mr. Zubia asked if the Hassayampa area was a much smaller area than the frameworks discussed in the BQAZ agenda item. Mr. Hazlett replied that was correct. In addition, some of those areas are not seeing the economic development intensity as the Hassayampa and Hidden Valley areas. He advised that the project consultant recommended that a framework study would require one year, especially in rural areas because they do not have the rich data available in the MAG region. Mr. Zubia asked Mr. Hazlett if, in his judgment, it would take at least one year to understand needs. Mr. Hazlett replied that was correct, and added that each study could present recommendations that might be in conflict. He said that because of this, it could take time to knit them together and reach consent.

Vice Mayor Antoniak asked if the ability to expedite the process was limited by manpower, or the time needed for the public involvement process. Mr. Hazlett stated that consent and the public involvement process takes the longest. He added that this is a very critical process because if you do not have consent, it does not make sense to move forward.

Mr. Smith stated that there was a meeting with ADOT on Friday to discuss the draft map. He said that no consultant has been hired and there is a lot of work to do. Mr. Smith noted that one option could be to give a portion of the funding to different parts of the state. He said that everyone knows the transportation problems and it has been suggested to draw up a list and take it to the Move AZ, and get a plan to the voters. Mr. Smith advised that this plan would not include transit.

Vice Chair Manross stated that she was hearing that a thorough job cannot be done by June 2008, a date that is likely to be supported by the state. She said that addressing transportation is very important to the health of the state. She asked if doing this quickly would increase the odds of success? Mr. Hazlett stated that studies sometimes show that improvements will be needed where they had not previously been considered. For example, including the buildout horizon in the Hassayampa study showed that some arterials should be freeways. He added that ensuring capacity would be gained by conducting framework studies.

10. Regional Support for Low Demand Homeless Overflow Shelter

Councilman Greg Stanton, Chair of the MAG Continuum of Care Committee on Homelessness, reported on the issue of funding the Central Arizona Shelter Services (CASS) men's overflow shelter. He said that this was discussed by the MAG Management Committee meeting a couple of months ago, and the Committee referred the issue to his committee, who drafted a resolution in support of the shelter. Councilman Stanton stated that this shelter, although located in Phoenix, needs to be supported regionally, because homelessness is a regional issue. He noted that he had appeared before the Regional Council on a couple of occasions about heat relief planning efforts after deaths occurred in the summer

of 2005. Councilman Stanton stated that the effort that followed was massive and successful. He noted that another victory was the Human Services Campus, which is a national model. Councilman Stanton stated that the City of Phoenix and CASS built a partnership and Phoenix has increased its budget significantly for homeless services. He noted that Phoenix now funds a year-round women's/children's shelter. Councilman Stanton stated that the men's overflow shelter has been experiencing unique funding challenges, and he hoped the Regional Council would support the resolution. He expressed his gratitude to those agencies that have already pledged their support: the Town of Paradise Valley, the City of Glendale, and the City of Peoria.

Mark Holleran, CASS CEO, stated that the organization was founded in 1984. He said that the regular CASS shelter houses 425 men, women, and children per night. Mr. Holleran stated that this is a structured program which focuses on helping people to become self-sufficient. He advised that there is also a need for those who cannot meet the requirements of a structured environment. Mr. Holleran stated that in the summer of 2005, a lot of people died from the heat and this was reported in the national press. In response, CASS opened a temporary shelter, which stretched to weeks and then to months. Mr. Holleran stated that the temporary shelter stayed open because the number of men needing this service continued to increase. Currently, it houses 325 men per night and costs \$1.1 million per year to operate. Mr. Holleran stated that Maricopa County has committed \$500,000 toward this expense, but that is all the funding the overflow shelter has. He advised that with the winter season approaching, CASS is facing the possibility that the shelter will need to close. Mr. Holleran advised that the City of Phoenix committed \$1.4 million for the women and families overflow shelter. Mr. Holleran stated that since the overflow shelter has been open, crime and public safety calls in the area have decreased significantly. Mr. Holleran stated that the Town of Paradise Valley pledged \$25,000, the City of Peoria has pledged \$8,000 and the City of Glendale has identified \$10,000 toward the overflow shelter. He advised that the donations will be matched by the Arizona Department of Housing dollar for dollar, so it may be possible to keep the shelter open until June 30th. He added that there is a policy issue that has not been addressed by the region at this point. He introduced Bryan Murphy, CASS Board member.

Mr. Murphy stated that he was a founding board member in 1984. At that time, they had a low demand shelter which was shut down in the 1990s due to funding issues. He noted that the decision was made because that was the program least related to CASS's mission of getting people off the streets. Mr. Murphy stated that since summer of 2005, when the shelter opened, they have been working off a patchwork of funding which they beg because there is no dedicated funding. He said that they need to get beyond piecemeal funding and find committed, long-term funding. Mr. Murphy stated that they have lacked policy guidance from the beginning and kept the doors open by strength of will. He said that direction is needed as to where it will be located and who is the best provider for this service. Mr. Murphy stated that CASS inherited the problems by default. He said that this is not a CASS problem, it is a community problem, and he asked the engagement of the Regional Council.

Vice Chair Manross recognized public comment from Dr. Sheila Harris, Director of the Arizona Department of Housing, who said that the Department created a challenge grant for CASS for the overflow shelter. She said that the Department is not in the business of operating, but of building, but sometimes there needs to be outreach to get people into housing. Dr. Harris stated that the Department has committed \$500,000 toward a dollar for dollar match to cities and towns who donate funds to the shelter. She noted that Governor Napolitano is committed to everyone having a quality of life and ensuring self sufficiency. Dr. Harris stated that the Department cannot continue this commitment on

an ongoing basis, and this is a one-time donation. Vice Chair Manross thanked Dr. Harris for her comments.

Vice Chair Manross recognized public comment from Stephen Jenkins, President of the St. Vincent de Paul Society. Mr. Jenkins stated that St. Vincent de Paul has served the Valley for more than 60 years. Its main work is keeping people in their homes, but it also gives people on the streets food and clothing. Mr. Jenkins stated that St. Vincent de Paul is a partner with Human Services LLC and serves with CASS. He stated that they concur with keeping people on the streets in a safe environment, and the shelters have made a difference. Mr. Jenkins stated that St. Vincent de Paul puts \$25 million per year into the region's communities, including visits to families to provide rent, food, and utility assistance. He noted that in August, Our Lady of Lourdes parish in Sun City paid \$17,000 in utility bills for people in Surprise and Sun City to help keep them in their homes. Mr. Jenkins stated that any investments will be returned many times over. Mr. Jenkins expressed his thanks for the opportunity to address the Regional Council and urged them to dig deep into their pockets to support this shelter. Vice Chair Manross thanked Mr. Jenkins for his comments.

Vice Chair Manross recognized public comment from Mr. Ryan, who stated that the problem is homelessness is being created because there is no money. He stated that the Hassayampa project includes three million people. In his hometown of Philadelphia are five medical colleges in roughly the same sized area. Mr. Ryan stated that a lot of doctors leave poorer areas for Scottsdale because there is less need for Medicaid. Mr. Ryan asked how many jobs will there be in the Hassayampa area. He stated that unless there is zoning to provide housing for people who make \$1 million per year, you will not have a successful area and will create homeless people. Mr. Ryan stated that you have to have transportation to take care of homeless people and need to stop creating more homeless people. He commented on the economy worsening because jobs are being sent out of the country and asked what was being done to bring in money. Vice Chair Manross thanked Mr. Ryan for his comments.

Vice Chair Manross recognized public comment from Duncan Miller, Paradise Valley Town Clerk, who expressed Mayor Winkler's regrets at not being able to attend the meeting in person. Mr. Miller said that Mayor Winkler asked him to attend the meeting and express the Town's support for the resolution. He stated that Paradise Valley has been a strong supporter of CASS and has provided financial support since 1985. Mr. Miller stated that the Town Council had approved \$26,000 for the shelter this year, but when it heard of the crisis, it voted unanimously to donate an additional \$25,000. Mr. Miller stated that Paradise Valley realizes the regional concern and the need for a regional response. He said that this shelter will provide a stable, safe refuge and will save municipalities money by reducing the need for emergency and safety services. Mr. Miller stated that the Town encourages support for the resolution, and on behalf of Mayor Winkler and the Town Council, he presented a check to Mr. Holleran. The Regional Council and audience applauded. Vice Chair Manross thanked Mayor Winkler and Mr. Miller.

Vice Chair Manross recognized public comment from Mr. Shultz, who said that he had been involved with homeless issues and had done some fund raising for the Human Services Campus. Mr. Shultz stated that he realized there are differences in the size of jurisdictions and budget capacities, and some are doing their own work in the homeless area, but he had done a quick calculation and with 23 cities donating \$25,000 each, and with the matching funds, the objective to fund the shelter for the remainder of the year would be accomplished. Mr. Shultz stated that the policy to address this over the long-term

still needs to be developed, but this will help the shelter in the interim. Vice Chair Manross thanked Mr. Shultz for his comments.

Mayor Hull moved to approve the resolution of the MAG Continuum of Care Regional Committee on Homelessness supporting the Central Arizona Shelter Services' low demand overflow shelter for single homeless men. Mr. Lane seconded, and the motion carried unanimously.

Vice Chair Manross thanked members for staying in order to take action on this important item.

11. Youth Empowerment Project Update

Vice Chair Manross, Chair of the MAG Regional Domestic Violence Council, reported on a public service announcement (PSA) competition where teens developed messages to address teen dating violence. She announced that there would be a press conference the next day at Coronado High School to try to get out the word about the project. Vice Chair Manross noted that the press conference will include a text-a-thon competition among students. She requested that members feature the PSA on their community cable stations and provide links on their websites to the www.weboffriends.org website dedicated to helping teens learn about dating violence. The winning video entry was played. Vice Chair Manross stated that any questions could be asked of MAG staff member, Renae Tenney.

12. Comments from the Council

An opportunity will be provided for Regional Council members to present a brief summary of current events. The Regional Council is not allowed to propose, discuss, deliberate or take action at the meeting on any matter in the summary, unless the specific matter is properly noticed for legal action.

No comments from the Council were noted.

There being no further business, the Regional Council meeting adjourned at 7:15 p.m.

Chair

Secretary